

TOWN OF WISNER
Wisner, Louisiana

Report On Audit
Of
Basic Financial Statements
For The Year Ended
June 30, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-31-07

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TOWN OF WISNER

Wisner, Louisiana

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Of The
Basic Financial Statements
For The Year Ended
June 30, 2006

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TOWN OF WISNER, LOUISIANA
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As of and for the year ended June 30, 2006

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Independent Auditor's Report

To the Honorable Mayor and
The City Council
Town of Wisner
Wisner, Louisiana

I have audited the financial statements of the governmental activities, the business-type activities, and each major fund, which collectively comprise the basic financial statements of the Town of Wisner, Louisiana, as of and for the year ended June 30, 2006, as listed in the table of contents. These financial statements are the responsibility of Town of Wisner, Louisiana's, management. My responsibility is to express opinions on these financial statements based on my audit.

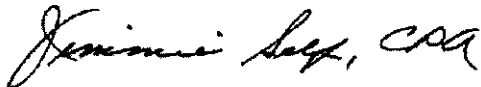
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the comptroller general of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Wisner, as of June 30, 2006, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America

My audit was conducted for the purpose of forming opinions on the basic financial statements taken as a whole. The accompanying supplemental information listed in the table of contents under Supplemental Information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, therefore, I express no opinion on them.

The Management Discussion and Analysis and budgetary comparison information are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

In accordance with Government Auditing Standards, I have also issued my report dated December 26, 2006, on my consideration of the Town of Wisner's internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of my audit.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA
Monroe, Louisiana
December 26, 2006

**Required Supplementary Information
(Part I)**

Management Discussion and Analysis

TOWN OF WISNER
WISNER, LOUISIANA
Management Discussion and Analysis
June 30, 2006

As management of the Town of Wisner, Louisiana (the "Town"), we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2006. The Management Discussion and Analysis ("MD&A") is designed to provide an objective and easy to read analysis of the Town's financial activities based on currently known facts, decisions, and conditions. It is intended to provide readers with a broad overview of Town finances. It is also intended to provide readers with an analysis of short-term and long-term activities of the Town based on information presented in the financial report and fiscal policies that have been adopted by the Town. Specifically, this section is designed to assist the reader in focusing on significant financial issues, provide an overview of the Town's financial activity, identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify fund issues or concerns.

As with other sections of the financial report, the information contained within the MD&A should be considered only as part of the greater whole. The readers of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplementary Information that is provided in addition to this Management Discussion and Analysis.

Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's financial statements. The Town's basic financial statements consist of the following components:

1. Government-Wide Financial Statements
2. Fund Financial Statements
3. Notes to the Financial Statements
4. Other Supplementary Information, which is in addition to the basic financial statements themselves.

1. Government-Wide Financial Statements

Government-Wide Financial Statements are designed by GASB Statement No. 34 to change the way in which government financial statements are presented. It now provides readers for the first time a concise "entity-wide" Statement of Net Assets and Statement of Activities, seeking to give the user of the financial statements a broad overview of the Town's financial position and results of operations in a manner similar to a private-sector business.

A. The *Statement of Net Assets* presents information on all the town's assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. The difference between the assets and liabilities is reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or weakening.

TOWN OF WISNER
WISNER, LOUISIANA
Management Discussion and Analysis
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B. The *Statement of Activities* presents information showing how government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flow in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements further assist the reader in their evaluation by distinguishing functions of the Town into:

- A. Governmental activities that are principally supported by taxes and intergovernmental revenues, and
- B. Business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges.

Financial Analysis of the Town as a Whole

As year to year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the Town as a whole. Below is a brief description of the total assets, total liabilities, and net assets showing restricted and unrestricted portions, the program revenues, and the related expenditures and expenses.

TOWN OF WISNER

Government-Wide Financial Analysis - Net Assets

June 30, 2006

	Governmental Activities		Business-type Activities		Totals	
	2005	2006	2005	2006	2005	2006
Current and other assets	159,588	93,259	418,347	422,507	577,935	515,766
Capital Assets	682,510	642,487	1,676,862	1,597,438	2,359,372	2,239,925
					-	-
Total Assets	842,098	735,746	2,095,209	2,019,945	2,937,307	2,755,691
Long-Term Liabilities	91,699	71,328	909,919	877,731	1,001,618	949,059
Other Liabilities	40,501	11,833	71,422	95,220	71,422	107,053
Total Liabilities	132,200	83,161	981,341	972,951	1,113,541	1,056,112
Net Assets						
Invested in capital Assets						
net of related debt	682,510	571,159	1,440,495	703,613	2,123,005	1,274,772
Restricted	-	-	-	366,067	-	366,067
Unrestricted	27,387	81,426	(326,628)	(22,686)		58,740
						-
Total net assets	709,897	652,585	1,113,867	(1,046,994)	1,823,764	1,699,579

TOWN OF WISNER
WISNER, LOUISIANA
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June 30, 2006

Governmental Activities

The Governmental Activities of the city include General Government, Public Safety, Public Works, Community Development, and Miscellaneous Programs. Sales taxes, property taxes, as well as licenses, permits, and fines fund most of these governmental activities.

Here we show the Town's expenditures related to those functions typically associated with governments. In the chart below, General government includes the following departments: Legislative (Town Council), Executive, Financial, Building, and other General Administration. Public Safety encompasses the police and fire protection departments. Public Works is made up of street departments, and like services.

Governmental Activities Expenditures	June 30, 2005		June 30, 2006	
General Government	\$ 136,454	46 %	\$ 183,856	68 %
Public Safety	102,822	35 %	69,690	26 %
Public Works	50,759	17 %	12,838	5 %
Interest on Long-Term Debt	3,579	2 %	3046	1 %
Total Governmental Activities	<u>\$ 293,164</u>	100 %	<u>\$ 269,430</u>	100 %

General revenues are those available for the city to use to pay for the governmental activities as described above. Program revenues are derived from other sources and are also utilized in the operation of the governmental functions.

GENERAL REVENUES	June 30, 2005		June 30, 2006	
Taxes:				
Property Taxes	\$ 18,333	8 %	\$ 20,262	11 %
Sales and Use Taxes	81,593	36 %	86,142	47 %
Other Taxes	0	0 %	1,259	<1 %
Franchise Fees	22,130	10 %	28,182	16 %
Investment Earnings	2,683	2 %	2,955	2 %
Licenses and Permits	-		18,317	10 %
Insurance Rebate	-		16,603	9 %
Miscellaneous	5,447	2 %	3,813	<1 %
Transfers In	5,941	2 %	-	- %
Transfers Out	(22,690)	(10) %	(69,690)	(38) %
Total General Revenues	<u>\$ 113,437</u>	50 %	<u>\$ 107,843</u>	59 %

TOWN OF WISNER
WISNER, LOUISIANA
Management Discussion and Analysis
June 30, 2006

PROGRAM REVENUES				
Fines, Fees, Etc.	84,743	37 %	76,091	41 %
Operating Grants, Contributions	28,347	13 %	-	- %
Total Program Revenues	<u>\$ 113,090</u>	50 %	<u>\$ 76,091</u>	41 %
Total Revenues	<u>\$ 226,527</u>	100.00 %	<u>\$ 183,934</u>	100.00 %

For the prior year ended June 30, 2005, fine and fees, etc. were the largest revenue source for the Town comprising 37 % of total governmental revenue. Fines and fees revenues for the year were \$84,743.

For the current year ending June 30, 2006, Sales and Use Taxes are the largest revenue source for the Town comprising 47 % of the total government revenue. Fines and fees revenues for the year were \$76,091.

Business-Type Activities

The Business-Type Activities of the Town are those fees to customers that help cover all or most of the cost of the services it provides. The Town water and sewer departments are reported here.

BUSINESS TYPE ACTIVITIES (Water and Sewer Fund)	June 30, 2005	June 30, 2006
Revenues	\$ 243,563	\$ 76,661
Expenses	\$ 346,430	\$ 233,238

2. Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like any other state or local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: Governmental Funds and Proprietary Funds.

A. Governmental Funds are used to account for most of the Town's basic services as reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. Those funds are reported using modified accrual

TOWN OF WISNER
WISNER, LOUISIANA
Management Discussion and Analysis
June 30, 2006

accounting that measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general governmental operations and basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for government funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the "Reconciliation of the Balance Sheet to the Statement of Net Assets Governmental Funds" and the "Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities" provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are identified as Exhibit C-1 and Exhibit D-1.

The Town maintains two individual governmental funds. Information is presented separately in the "Balance Sheet Governmental Funds" and in the "Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds" for the General Fund. The reports are identified as Exhibit C and Exhibit D.

Financial Analysis of Government Funds

As of the end of the prior fiscal year ended June 30, 2005, the Town's governmental funds reported combined ending fund balances of \$103,177.

At the close of the current fiscal year ending June 30, 2006, the Town's governmental funds reported combined fund balances of \$81,426.

CHANGES IN FUND BALANCES		
Fund Balance Date	General Fund	Water and Sewer Fund
June 30, 2005	\$ 103,777	\$ (80,666)
June 30, 2006	\$ 81,426	\$ (66,872)

B. Proprietary Funds – (Enterprise Funds) are used to report the same functions presented as business-type activities in the government-wide financial statements. The town uses Enterprise Funds to account for its Water and Sewer Department. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Sewer Department, which is considered to be major funds

TOWN OF WISNER
WISNER, LOUISIANA
Management Discussion and Analysis
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of the Town. The basic proprietary fund financial statements can be found on pages "Basic Financial Statements" section of this report.

3. Notes to the Financial Statements

The Notes to the Financial Statements provide additional information that is essential for a full understanding of the data provided in the government-wide and financial statements. The Notes to the financial statements can be found immediately following the section entitled "Basic Financial Statements."

4. Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Required supplementary information can be found beginning with a section entitled "Required Supplementary Information – Part I."

A. Budgetary Comparison Schedule – The Town adopts an annual appropriated budget for its general fund. A budgetary comparison schedule (Schedule 1 in the Required Supplementary Information Part II section) has been provided for these funds to demonstrate compliance with the adopted budget and state laws.

B. Analysis of Significant Budget Variances in the General Fund.

- i. Revenues – \$4,660 favorable
- ii. Expenditures – \$31,178 favorable

5. Combining Statements for the non-major Governmental Funds – N/A

6. Other Supplementary Schedules are included in this report.

Capital Assets and Debt Administration

1. Capital Assets

For the prior year ended June 30, 2005, the Town's investment in capital assets, net of accumulated depreciation in its governmental activities is \$842,098 and in business-type activities is \$2,095,209 which totals \$2,937,307 for the Town. This investment in governmental activities assets includes land, buildings and systems, machinery and equipment, parks and landscaping. The investment in assets for business-type activities includes the water and sewer system and treatment plants. Additions to governmental activities assets within the year include equipment purchases while increases to business-type activities assets also included new equipment purchases.

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The Town's investment in capital assets, net of accumulated depreciation, for the current year ending June 30, 2006 in its governmental activities is \$642,487 and in business-type activities is \$1,597,438 which totals \$2,239,925 for the Town. This investment in governmental activities assets includes land, buildings and systems, machinery and equipment, parks and landscaping. The investment in assets for business-type activities includes the water and sewer system and treatment plants.

2. Long-Term Debt

At the end of the prior fiscal year ended June 30, 2005, the Town had a revenue bond indebtedness of \$990,918 in addition to a certificate of indebtedness of \$67,699 and indebtedness to the Louisiana Public Facilities Authority for \$24,000. This represented a total indebtedness for the Town in the amount of \$1,001,617.

At the end of the current fiscal year ended June 30, 2006 the Town had a revenue bond indebtedness of \$909,918 in addition to a certificate of indebtedness of \$122,000 and indebtedness to the Louisiana Public Facilities Authority for \$40,000. This represents a total indebtedness for the Town in the amount of \$1,071,918.

Contacting the Town of Wisner

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Tosha Adams, Town Clerk, P. O. Drawer 290, Wisner, LA 71378.

Basic Financial Statements

TOWN OF WISNER, LOUISIANA
STATEMENT OF NET ASSETS
June 30, 2006

Exhibit A

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Assets:			
Cash and Cash Equivalents	\$ 34,859	\$ 15,303	\$ 50,162
Investments	53,423	16,729	70,152
Receivables, Net	4,977	21,967	26,944
Restricted Assets:			
Downtown Revitalization	-	900	900
Utility Bond Fund	-	224,610	224,610
Cash Savings Account	-	84,332	84,332
Water Revenue Deposit Fund	-	45,131	45,131
Water Meter Deposit Fund		11,094	
Capital Assets:			
Land	57,000	13,200	70,200
Building	724,358	-	724,358
Water/Sewer Lines	-	2,727,846	2,727,846
Equipment	241,734	153,779	395,513
Vehicles	191,415	-	191,415
Landscaping	79,270	-	79,270
Accumulated Depreciation	(651,290)	(1,297,387)	(1,948,677)
Other Assets	-	2,442	2,442
Total Assets:	\$ 735,746	\$ 2,019,945	\$ 2,744,597
Liabilities:			
Accounts and Other Payables	\$ 9,284	\$ 11,166	\$ 20,450
Payable from Restricted Assets:			
Customer Deposits	-	38,663	38,663
Accrued Liabilities	2,549	29,297	31,846
Paid from restricted assets:			
Current portion of long-term obligations	16,000	16,094	32,094
Non Current Portion of long-term obligations	55,328	877,731	933,059
Total Liabilities:	83,161	972,951	1,056,112
Net Assets:			
Invested in Capital Assets, net of related debt	571,159	703,613	1,274,772
Restricted Assets	-	366,067	366,067
Unrestricted (Deficit)	81,426	(22,686)	58,740
Total Net Assets	\$ 652,585	\$ 1,046,994	\$ 1,699,579

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS REPORT

TOWN OF WISNER, LOUISIANA
Statement of Activities
For the Year Ended June 30, 2006

Exhibit B

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets	
		Fines, Fees & Charges for Services	Capital Grants	Governmental Activities	Business Type Activities	Total
Governmental Activities						
General Government	\$ (186,902)	\$ 86,285	\$ 18,000	\$ (82,617)	\$ -	\$ (82,617)
Public Safety	(69,690)	-	-	(69,690)	-	(69,690)
Public Works	(12,838)	-	-	(12,838)	-	(12,838)
Total Governmental Activities	<u>\$ (269,430)</u>	<u>\$ 86,285</u>	<u>\$ 18,000</u>	<u>\$ (165,145)</u>	<u>\$ -</u>	<u>\$ (165,145)</u>
Business Type Activities						
Water	\$ (379,007)	\$ 235,474	\$ -	\$ -	\$ (143,533)	\$ (143,533)
Total Business Type Activities	<u>(379,007)</u>	<u>235,474</u>	<u>-</u>	<u>-</u>	<u>(143,533)</u>	<u>(143,533)</u>
Total Government	<u>\$ (648,437)</u>	<u>\$ 321,759</u>	<u>\$ 18,000</u>	<u>\$ (165,145)</u>	<u>\$ (143,533)</u>	<u>\$ (308,678)</u>

Changes in Net Assets:

Net (Expense) Revenue	\$ (165,145)	\$ (143,533)	\$ (308,678)
General Revenues:			
Taxes:			
Property taxes	\$ 20,262	\$ -	\$ 20,262
Sales & Use Taxes	86,142	-	86,142
Licenses & Permits	18,317	-	18,317
Franchise Tax	28,182	-	28,182
Insurance Rebate	16,603	-	16,603
Alcohol Beverage Tax	1,259	-	1,259
Miscellaneous	3,813	-	3,813
Investment Income	2,955	6,971	9,926
Transfers In Transfers In/out	(69,690)	69,690	-
Total General Revenues	<u>107,843</u>	<u>76,661</u>	<u>184,504</u>
Change in Net Assets	(57,302)	(66,872)	(124,174)
Net Assets, Beginning of Year	709,887	1,113,867	1,823,754
Net Assets, End of Year	<u>\$ 652,585</u>	<u>\$ 1,046,995</u>	<u>\$ 1,699,580</u>

Fund Financial Statements

TOWN OF WISNER, LOUISIANA
BALANCE SHEET
Governmental Funds
June 30, 2006

Exhibit C

	General Fund
Assets	
Cash	\$ 34,859
Investments	53,423
Receivables-(net, where applicable, of allowance for doubtful accounts)	4,977
Total Assets:	<u>\$ 93,259</u>
Liabilities and Fund Balance	
Liabilities:	
Accounts and other Payables	\$ 9,284
Accrued Liabilities	2,549
Total Liabilities	<u>11,833</u>
Fund Balances-Reserved and Unreserved	<u>\$ 81,426</u>
Total Liabilities and Fund Balances	<u>93,259</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS REPORT

TOWN OF WISNER
Reconciliation of the Balance Sheet
to the Statement of Net Assets
Governmental Funds
For the Year ended June 30, 2006

Exhibit C-1

Fund Balances - Total Governmental Funds \$ 81,426

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources, therefore are not reported in the governmental funds:

Governmental Capital Assets	1,275,628	
Additions of capital for 2006 were	<u>18,149</u>	
	1,293,777	
Less : Accumulated Depreciation	<u>(651,290)</u>	
	<u>642,487</u>	642,487

Long-term liabilities of \$71,328 are not due and payable in the current period and are not reported in the funds. (71,328)

Net Assets of Governmental Activities:	<u>\$ 652,585</u>
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THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS REPORT

TOWN OF WISNER
Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2006

Exhibit D

	General Fund
Revenues:	
Property Taxes	\$ 20,262
Sales Taxes	86,142
License & Permits	18,437
Franchise Fee	28,182
Fines	76,091
Insurance Rebates	16,603
Alcohol Beverage Tax	1,259
Grant Income	18,000
Investment Income	2,956
Miscellaneous	13,884
Total Revenues	<u>281,816</u>
Expenditures:	
General Government	128,750
Public Safety	85,084
Public Works	2,494
Total Operating Expenditures	<u>216,328</u>
Operating Income(Loss)	<u>65,488</u>
Non-Operating Revenues (Expenses)	
Capital Expenditures	<u>(18,149)</u>
Total Non-Operating Revenues	<u>(18,149)</u>
Income (Loss) before transfers	47,339
Other financing Uses	
Transfers to other funds	<u>(69,690)</u>
Excess (Deficiency) of Revenues over expenditures	(22,351)
Fund Balance - Beginning of Year	103,777
Fund Balance - End of Year	<u>\$ 81,426</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS REPORT

TOWN OF WISNER
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2006

Exhibit D-1

Net Change in Fund Balances - Total Governmental Funds \$ (22,351)

Amounts reported for governmental activities in the statement of activities
are different because:

Depreciation on capital assets is reported in the government-wide financial
statements, but they do not require the use of current financial resources
and are not reported in the fund financial statements. Current year
depreciation expenses are (58,172)

Current year capital outlays are expenditures in the fund financial statements, but they
are shown as increases in capital assets in the government-wide financial statements.
The effect of removing the capital outlays is to increase net assets 18,149

Some expenses reported in the statement of activities do not require the use of current financial
resources and are not reported as expenditures in governmental funds. These include the net
decrease in : Reduction in accrued interest 151
Reduction in accrued payroll taxes 498
Reduction in Municipal Retirement 423 1,072

Current year payments for the Certificate of Indebtedness 4,000 4,000

Change in Net Assets of Governmental Activities \$ (57,302)

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS STATEMENT

TOWN OF WISNER, LOUISIANA
Statement of Net Assets
Proprietary Funds
June 30, 2006

Exhibit E

	<u>Business-Type Activities</u> <u>Enterprise Funds</u>
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 15,303
Investments	16,729
Accounts Receivable, Net	21,966
Total Current Assets	<u>53,998</u>
Non-Current Assets:	
Restricted Assets:	
Cash and Cash Equivalents:	
Downtown Revitalization	900
Utility Bond Fund	224,610
Cash Savings Account	84,332
Water Revenue Deposit Fund	45,131
Water Meter Fund	11,094
Other	2,442
Total Restricted Assets	<u>368,509</u>
Capital Assets:	
Property, Plant, and Equipment, at cost	2,881,625
Less Accumulated Depreciation	(1,297,387)
Land	13,200
Total Capital Assets	<u>1,597,438</u>
Total Non-Current Assets	<u>1,965,947</u>
Total Assets	<u>\$ 2,019,945</u>
Liabilities and Net Assets	
Current Liabilities (Payable from Current Assets):	
Accounts Payable	\$ 11,166
Total Current Liabilities (Payable from Current Assets)	11,166
Current Liabilities (Payable from Restricted Assets):	
Customer Deposits	38,663
Accrued Bond Interest	29,297
Bonds Payable	16,094
Total Current Liabilities (Payable from Restricted Assets)	<u>84,054</u>
Long-Term Liabilities:	
Bonds Payable	877,731
Total Long-Term Liabilities	<u>877,731</u>
Total Liabilities	<u>972,951</u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	703,613
Restricted	366,067
Unrestricted (Deficit)	(22,686)
Total Net Assets	<u>\$ 1,046,994</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS REPORT

TOWN OF WISNER, LOUISIANA
Statement of Revenues, Expenses,
and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended June 30, 2006

Exhibit F

	Business-Type Activities
	Enterprise Funds
Operating Revenues:	
Charges for Services	\$ 233,917
Connection Fees	1,557
Total Operating Revenues	<u>\$ 235,474</u>
Operating Expenses:	
Bank Charges	\$ 51
Salaries	65,956
Payroll Taxes/Employee Benefits	5,046
Truck Expense	10,766
Maintenance and Repairs	9,025
Salt Chemicals & Supplies	22,203
Office Supplies and Postage	8,682
Misc Office Expense	491
Insurance Expense	4,533
Licenses and Fees	1,417
Liability Insurance	31,980
Employee Medical Expense	11,381
EPA Sewer Testing Expense	5,069
Utilities	39,183
Audit Fee	2,521
Legal and Professional	509
Misc Expense	1,266
Retirement Expense	6,308
Workmen's Comp Insurance	8,077
Depreciation	83,575
Garbage	6,830
Sales Tax on Water	310
Total Operating Expense	<u>325,179</u>
Operating Income(Loss)	<u>(89,705)</u>
Non-Operating Revenues(Expenses)	
Interest Income	6,971
Interest Expense	(53,828)
Total Non-Operating Revenues (Expenses)	<u>(46,857)</u>
Income (loss) before transfers	(136,562)
Transferred from general fund	<u>69,690</u>
Change in Net Assets	(66,872)
Net Assets-Beginning of Year	1,113,868
Net Assets-End of Year	<u>\$ 1,046,996</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS REPORT

TOWN OF WISNER
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2006

Exhibit G

	Business-Type Activities
	<u>Enterprise Funds</u>
	<u>Water Fund</u>
Cash Flows from Operating Activities:	
Cash Receipts from Customers	\$ 225,149
Cash Payments to Suppliers	(152,389)
Cash Payments to employees and other payroll expenses	(71,002)
Net Cash Provided by Operating Activities	<u>1,758</u>
Cash Flows from Non-Capital Financing Activities:	
Transfers from other funds	69,690
Other non-capital income (Expenses):	
Interfund transfers: From Lamp account to Water Works Acct.	(10,342)
Net Cash Provided by Non-Capital Financing Activities	<u>59,348</u>
Cash Flows from Capital and Related Financing Activities:	
Acquisition of Capital Assets	(4,151)
Principal paid on bonds	(16,094)
Interest paid on bonds	(53,828)
Net Cash Provided (used) by Capital and Related Financing Activities	<u>(74,073)</u>
Cash Flows from Investing Activities:	
Interest Income	6,971
Net Increase (Decrease) in Cash and Cash Equivalents	(5,996)
Cash - Beginning of Year	21,298
Cash - End of Year	<u>\$ 15,302</u>
Reconciliation of Operating Income (Loss) to Net Cash	
Provided (Used) by Operating Activities:	
Operating Income, (Loss)	\$ (89,705)
Adjustments to Reconcile Operating Income(Loss) to	
Net Cash Provided by Operating Activities	
Depreciation	83,575
Increase (Decrease) in Accounts Receivable	196
Increase (Decrease) in Allowance for Bad Debts	(12)
Increase (Decrease) in Accounts Payable	7,704
Net Cash Provided by Operations	<u>\$ 1,758</u>

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THIS REPORT

Notes to Financial Statements

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I.A. INTRODUCTION

The accounting and reporting framework and the more significant accounting principles and practices of the Town of Wisner are discussed in subsequent sections of this Note. The remainder of the Notes is organized to provide explanations, including required disclosures of the Town's financial activities for the fiscal year ended June 30, 2006.

I.B. FINANCIAL REPORTING ENTITY

The Town of Wisner, Louisiana, was incorporated in 1932, and is currently under the provisions of The Home Rule Charter as provided by State Law Reference L.R.S. 33:1381 – 1390. A copy of the ratified charter is recorded at the Franklin Parish Courthouse, Winnsboro, LA. The Mayor is the executive officer of the Town, while the Council members are the governing authority of the Town for the purpose of legislation and policy making. The five Council members receive no compensation. The Town provides the following services to its 1,122 residents: public safety (police), highways and streets, gas, water, sewer, and sanitation facilities through the utility fund, culture/recreation and general administrative services.

The accounting and reporting policies of the municipality conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Statutes 24:517 and to the industry audit guide, Audits of State and Local Governmental Units.

I.B.1. Basis of Presentation

The accompanying financial statements of the Town of Wisner have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

I.B.2. Reporting Entity

As the municipal governing authority, for reporting purposes, the Town of Wisner, Louisiana is considered a separate financial entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

TOWN OF WISNER
WISNER, LOUISIANA
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Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Town of Wisner, Louisiana for the financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the municipality to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the municipality.
2. Organizations for which the municipality does not appoint a voting majority but are fiscally dependent of the municipality.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Town of Wisner has no component units.

As required by generally accepted accounting principles, these financial statements present the Town of Wisner, Louisiana.

I.B.3. Government-Wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements include the Statement of Net Assets and the Statement of Activities. These statements report financial information for the Town as a whole. The primary government is presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and Town general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

forfeitures, and other charges to users of the Town's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

I.B.4. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the Town are prepared in accordance with generally accepted accounting principles (GAAP). The Town's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and applicable Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless they conflict with GASB pronouncements. The Town's reporting entity does not apply FASB pronouncements or APB opinions issued after November 30, 1989.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally include the reclassification or elimination of internal activity (between or within funds). However, internal eliminations do not include utility services provided to Town's departments. Reimbursements are reported as reductions to expenses. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met..

Governmental fund financial statements reports use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The Town considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond principal and interest which are reported as expenditures in the year due.

TOWN OF WISNER
WISNER, LOUISIANA
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Major revenue sources susceptible to accrual include sales and use taxes, property taxes, franchise taxes (fees), intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as needed.

I.B.5. Fund Types and Major Funds

The Town reports the following major funds:

General Fund – reports as the primary fund of the Town. This fund is used to account for all financial resources not reported in other funds.

Proprietary Fund – The Town reports the following enterprise funds:

Water Utilities Fund – accounts for the operating activities of the Town's water utilities and sewer services. This is not a major fund.

I.C. INVESTMENT INCOME, EQUITY

I.C.1. Investment Income

Investment income, which includes changes in the fair value of investments, is administered by both funds as shown in Note III.A.2.

I.C.2. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

I.D. REVENUES, EXPENDITURES, AND EXPENSES

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

I.D.1. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied by the Town in September or October and are actually billed on October 1, and are mailed to the taxpayers in November. Billed taxes become delinquent on January 1 of the following year. Revenues from ad valorem taxes are budgeted and the year billed. Sales taxes collected are also on the accrual basis.

The Town bills and collects its own property taxes using the assessed value determined by the tax assessor of Franklin Parish.

The year ended June 30, 2006 taxes of 6.32 mills were levied on property with assessed valuations totaling \$2,900,644 and were deducted as follows:

General corporate purposes 6.32 mills

Property tax revenues are recognized when they become available. Available includes those property tax receivables elected to be collected within sixty days after year-end. Delinquent taxes are considered fully collectible and therefore an allowance for uncollectible taxes is provided.

Fines, bond forfeiture, and fees are recognized when collected by the Town. Interest income is recorded when the Bank credits it to the accounts.

I.D.2. Expenditures

Salaries are recorded as expenditures when earned by employees.

Purchases of various operating supplies, etc. are recorded as expenditures when the related fund liability is incurred.

Principal and interest on general long-term debt and installment purchase payments are recognized when due.

I.D.3. Compensated Absences

Town employees are entitled to ten days of compensated absences. However, compensated absences do not vest or accumulate and are recorded as expenditures when they are paid.

NOTE II. BUDGETARY INFORMATION

II.A.1. Budget Policy and Practice

TOWN OF WISNER
WISNER, LOUISIANA
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June 30, 2006

The Town Clerk submits an annual budget to the Town council in accordance with the Town Charter and the Wisner Municipal Budget Act. The budget is presented to the Council for review, and public hearings are held to address priorities and the allocation of resources. In June, the Town Council adopts the annual fiscal year budgets for Town operating funds. Once approved, the Town Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

II.A.2. Basis Of Budgeting

Each fund's appropriated budget is prepared on a classified basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personal services, other services and charges, supplies, capital outlay, transfers, and debt service. Budget revisions at this level are subject to final review by the Town Council.

The budgets for the operating funds and are prepared on accrual basis. Revenues are budgeted in the year receipt is expected; and expenditures, the year that the applicable purchase orders are expected to be issued. Public hearings are held to obtain public taxpayer comments.

II.A.3. Encumbrance Accounting

Encumbrance accounting was not used.

NOTE III. DETAILED NOTES ON FUNDS

III.A. ASSETS

III.A.1. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Town of Wisner may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

At June 30, 2006, the Town had cash totaling \$485,640 as follows:

Cash and Cash Equivalents	General Fund	Enterprise Fund	Totals
Cash	34,859	15,303	50,162
Investments	53,423	16,729	70,152
Restricted Funds		366,067	366,067

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

Totals	<u>88,282</u>	<u>398,099</u>	<u>486,381</u>
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Restricted Funds consist of the following funds:

Downtown Revitalization	\$ 900	For the maintenance of downtown
Utility Bond Fund	224,610	For long-term Indebtedness
Cash Savings Account	84,332	For long-term indebtedness
Water Revenue Deposit Fund	45,131	For long-term indebtedness
Water Meter Deposit Fund	11,094	To repay customer deposits when necessary
Total Restricted Funds	<u>\$366,067</u>	

(These funds are restricted for construction, funded through long-term debt first, then for deposits in bank accounts legally restricted primarily for the payment of currently maturing debt service and customer deposits.)

Under state law, the Town of Wisner may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days. However, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost.

Cash and investments are secured as follows:

Bank Balances	\$ 486,381
Federal Deposit Insurance	<u>100,000</u>
Pledge Securities (Book Value)	550,000
Pledge Securities have a Market Value of	<u>\$ 545,187</u>

The Town's bank accounts are sufficiently collateralized.

The LAMP accounts totaling \$70,729.14 are not included in the bank collateral.

LAMP is a 2a7-like investment pool. (LAMP = Louisiana Asset Management Pool) The following facts are relevant for the 2a7-like investment pools:

- Credit Risk: LAMP is rated AAAM by Standard and Poor's.
- Custodial Credit Risk: LAMP participants' investments in the pool are evidenced by shares of the pool. Investments in pools should be disclosed, but not categorized because they are not evidenced by securities that exist in physical or book-entry form. The public entity's investment is with the pool, not with securities that make up the pool, therefore, no disclosure is required.
- Concentration of Credit Risk: Pooled investments are excluded from the 5 percent disclosure requirement.

TOWN OF WISNER
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June 30, 2006

- Interest rate risk: 2a7-like investments are excluded from this disclosure requirement, per paragraph 15 of the GASB 40 statement.
- Foreign currency risk: Not applicable to 2a7-like pools.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances. The investments in LAMP are stated at their fair value based on quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

LAMP, Inc. is subject to the regulatory oversight of the Louisiana State Treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

III.A.2. Investments

Investments are limited by Louisiana Revised Statute (R. S.) 33:2955 and the Town's investment policy. If the original maturities are 90 days or less, they are classified as cash equivalents.

- (1) The fair market value is based on quoted market prices.
- (2) All investments are reported at original cost and both are disclosed in the notes.

III.A.3. Receivables

Receivables include amounts due from customers primarily for utility services.

The receivables of \$26,944 at June 30, 2006 are as follows:

Class of Receivable:

(1.) Sewer/Water receivable, net	\$21,697
(2.) General Fund Receivables, net	<u>4,977</u>
TOTAL RECEIVABLES	\$26,944

(These are net of allowance for Bad Debts, which are charged at 6 %.)

III.A.4. Restricted Assets and Reserves

Restricted Assets

These assets consist of cash restricted for Waterworks and Sewer System Fund Debt.

Reserves

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

The Town records reserves to indicate that a portion of the fund balance is legally segregated for a specific future use. The following is a list of all reserves and a description of each:

- (1) Reserved for Utility Bond Fund – An account, titled Utility Bond, is used to segregate a portion of funds balance for debt service resources legally restricted to the payment of long-term debt principal and interest amounts maturing in future years. The balance in that account was \$224,610.
- (2) Reserved for Revenue Bond Contingency – An account, titled Water Revenue Bond Reserve Fund, is used to segregate a portion of the fund balance for debt service resources restricted to the payment of long-term debt principal and interest amounts maturing in the future years when sufficient amounts are not reserved in the bond debt service retirement reserve accounts. The balance in this account @ 6-30-06 was \$45,131.
- (3) Reserved for Customer Deposits , an account entitled Water Meter Deposits, had a balance @ 6-30-06 of \$11,094.
- (4) Cash Savings – An account titled Utility Bond Contingency fund is used for any bond contingency which may arise. Balance at 6-30-06 is \$84,332.
- (5) Downtown Revitalization Fund – An Account titled Downtown Revitalization Fund used for maintenance of downtown when needed. The balance at 6-30-06 was \$900.

Total Restricted Reserves

\$366,067

III.A.5. Capital Assets

Capital outlays are recorded as expenditures of the General Special Revenue and Capital Projects Funds and as assets in the government-wide financial statements to the extent the Town's capitalization threshold is met. In accordance with GASB Statement No. 34, infrastructure has not been capitalized due to an existing exception for Phase 3 local governments with annual revenues of less than \$10 million.

Depreciation is recorded on general fixed assets on a government-wide basis. Capital outlays for Proprietary Funds are recorded as fixed assets and depreciated over their estimated useful lives on a straight-line basis and government-wide basis. All fixed assets are valued at historical or estimated historical cost if actual cost was not available. Donated fixed assets are valued at their estimated fair market value on the date donated.

Maintenance, repairs, and minor equipment are charged to operations when incurred. Expenditures that materially change capacities or extend useful lives are capitalized.

TOWN OF WISNER
WISNER, LOUISIANA
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Upon sale or retirement of land, buildings, and equipment, the cost and related accumulated depreciation, if applicable, are eliminated from the respective accounts and any resulting gain or loss is included in the results of operations.

The following is a summary of the changes in capital assets for the fiscal year ended June 30, 2006.

GOVERNMENTAL ACTIVITIES									
Item	Acquisition Date	Basis 2005	Additions 2006	Total 2006	Accum Deprec	Basis Before Current Deprec	Deprec 2006	Total Accum Deprec	Basis 2006
Land		57,000	-	57,000	-	57,000	-	-	57,000
Building	1975	98,605	-	98,605	55,511	43,094	2,528	58,039	40,586
Building Addn	1995	608,294	-	608,294	170,917	437,377	15,597	186,514	421,780
Building Addn	2003	6,759	-	6,759	512	6,247	173	685	6,074
Building Addn	2001	10,700	-	10,700	1,359	9,341	274	1,633	9,067
Equip Addn	2001	58,518	-	58,518	47,551	10,967	7,312	54,863	3,655
Equip	1975	158,745	-	158,745	158,745	-	-	158,745	-
Fire Truck	2001	161,493	-	161,493	131,225	30,268	20,178	151,403	10,090
Police Car	2002	29,922	-	29,922	22,070	7,852	5,234	27,304	2,618
Lndscap Addn	2004	79,270	-	79,270	3,964	75,306	1,982	5,946	73,324
Equip Addn	2005	6,322	-	6,322	1,264	5,058	1,264	2,528	3,794
Equip	2006		18,149	18,149	-	18,149	3,630	3,630	14,519
Totals		1,275,628	18,149	1,293,777	593,118	700,659	58,172	651,290	642,487

Governmental activities capital assets net of accumulated depreciation at June 30, 2006 are comprised of the following:

General Capital Assets, Net	\$642,487
Total	\$642,487

Current Depreciation of General Fund Assets was allocated as follows:

Administrative Expense	\$29,159
Public Safety	27,504
Public Works	1,509
Total Accumulated Depreciation	<u>\$58,172</u>

(Differences in totals are due to rounding up or rounding down of figures.)

TOWN OF WISNER
WISNER, LOUISIANA
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BUSINESS-TYPE ACTIVITIES									
Item	Acquisition Date	Basis 2005	Additions 2006	Total 2006	Accum Deprec	Basis Before Current Deprec	Deprec 2006	Total Accum Deprec	Basis 2006
Land		13,200	-	13,200	-	13,200	-	-	13,200
Water Syst		2,727,846	-	2,727,846	1,171,570	1,556,276	68,197	1,239,767	1,488,079
Equipment		121,883	-	121,883	39,467	82,416	12,188	51,655	70,228
Equip Addn	2005	27,745	-	27,745	2,775	24,970	2,775	5,550	22,195
Equip Addn	2006		4,151	4,151	-	4,151	415	415	3,736
Totals		2,890,674	4,151	2,894,825	1,213,812	1,681,013	83,575	1,297,387	1,597,438

(Differences in totals are due to rounding up or rounding down of figures.)

<u>Water Utility</u>	<u>Projected Useful Lives</u>
Wells	20 years
Storage tanks	40 years
Purification plant	33 years
Lines and meters	40 years
<u>Sewerage Utility</u>	<u>Projected Useful Lives</u>
Pump stations	40 years
Lines	40 years
Autos and trucks	5 years
Other equipment	5 years

III.B. LIABILITIES

III.B.1. Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due. Long-term obligations expected to be financed from proprietary fund operations are accounted for in those funds.

General Utility Bonds payable at July 1, 2005 – Enterprise Fund	\$ 909,919
Certificate of Indebtedness Payable @ July 1, 2005 – General Fund	67,699
Total Bonds Payable @ July 1, 2005	977,618
Total La Public Facility Bonds Payable @ July 1, 2005 – General Fund	20,000
Bonds Principal Paid	32,466
Interest Paid	56,874
Total Bond Payment	89,340

TOWN OF WISNER
WISNER, LOUISIANA
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June 30, 2006

Balance Bonds Payable @ June 30, 2006	\$ 965,152
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All Town of Wisner bonds outstanding at June 30, 2006 in the amount of \$965,152 are general utility bonds (or other as indicated) with maturities from 1997 to 2029, and interest rates from 4.0 to 6.0 percent. Bond principal and interest payable in the next fiscal year are \$89,340.

All principal and interest requirements are sufficiently funded. At June 30, 2006, the Town of Wisner has accumulated \$366,067 in the debt funds for future debt requirements of the enterprise fund. There are a number of limitations and restrictions contained in the various bond indentures. The Town is in compliance with all significant limitations and restrictions.

Below is a description of the original bond issue. Bonds payable at June 30, 2006 are comprised of the following individual issues:

\$ 706,000 utility revenue bonds dated 11/1/89, payable in 40 consecutive annual payments of \$47,231, included interest at 6 %, secured by revenue of the utility system.	\$ 602,864
\$ 350,000 utility revenue bonds, dated 2/27/92, payable in 40 consecutive annual payments of \$22,691, including interest at 5.75 %, secured by revenue of the utility system.	307,054
Total Revenue Bonds:	<u>\$ 909,918</u>
Certificate of Indebtedness-GF	<u>122,000</u>
Louisiana Public Facilities	<u>40,000</u>
Total Original Bonds Issued:	<u>\$ 1,071,918</u>

The annual requirements to amortize utility revenue bonds outstanding as of June 30, 2006, including interest payments of \$73,922 follows:

Annual Requirements to Amortize Long-Term Debt			
Year Ending	General		
June 30	Obligation	Revenue	Total
2007	-	73,922	73,922
2008	-	73,922	73,922
2009	-	73,922	73,922

TOWN OF WISNER
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2010	-	73,922	73,922
2011	-	73,922	73,922
Thereafter	-	1,523,657	1,523,667
Total		\$ 1,893,267	\$ 1,893,267

Certificate No. R-1			Certificate No. R-2		
Year (Dec.1)	Principal Payment	Interest Rate	Year (Dec. 1)	Principal Payment	Interest Rate
2006	17,000	4.5 %	2006	4,000	0.00 %
2007	17,000	4.5 %	2007	4,000	0.00 %
2008	18,000	4.5 %	2008	4,000	0.00 %
2009	19,000	4.5 %	2008	4,000	0.00 %
			2010	4,000	0.00 %

NOTE IV. OTHER

IV.A.1. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenue, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

IV.A.2. One Percent Sales and Use Tax

The revenue derived from this tax is not dedicated to any specific purpose.

IV.A.3. Restrictions on Use of Utilities Revenues

Funds provided by utilities revenue is to be used in the following manner before they are available for other lawful purposes:

1. Operating expense of utility system.
2. Revenue bond service funds- \$5,826.83 per month deposited to revenue bonds reserve fines.
3. Revenue bonds reserve funds uses the \$5,826.83 monthly total to pay the required annual bond principal and interest..
4. Revenue bond depreciation and contingencies fund - \$292.00 per month to pay for any contingencies which may arise.

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

IV.A.4. Pension Plans

Municipal Employees' Retirement System

Substantially all employees of the Town of Wisner are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, and Municipal Police Employees Retirement System of Louisiana. These systems are multiple-employer (cost-sharing), public employee retirement systems (PERS), controlled and administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Municipal Employees Retirement System of Louisiana (System)—The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. (All employees of the municipality are members of Plan B.)

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service or at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final average monthly salary in excess of \$100 for each year of creditable service. Furthermore, employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 percent of final average salary. Final average salary is the employee's average over 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504)925-4810.

Funding Policy. Under Plan A, members are required by state statute to contribute 9.25 percent of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 6.75 percent of annual payroll. Under Plan B, members are required by state statute to contribute 5.0 percent

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 6.25 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the Town of Wisner are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Wisner contributions to the System for June 30, 2006, 2005, and 2004, were \$6,308, \$4,560 and \$3,654, respectively, equal to the required contributions for each year.

Municipal Police Employees Retirement System of Louisiana (System)

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final average salary for each year of creditable service. Final-average salary is the employee's average salary over 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified previously and receive the benefit accrued to their date of termination. The system also provides death and disability benefits. Benefits are established by state statute.

The system issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809 or by calling (504)929-7411.

Funding Policy. Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the Town of Wisner is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirement of plan members and the Town of Wisner is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the Town of Wisner are established and may be amended by state statute. As provided by Louisiana Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Wisner contributions to the System for the years ending June 30, 2005, 2004, and 2003 were 4,032, 3,338, and 3,505 respectively, equal to the required contributions for each year.

TOWN OF WISNER
WISNER, LOUISIANA
Notes to the Financial Statements
June 30, 2006

IV.A.5. Accounts, Salaries, and Other Payables

Accounts, salaries, and other payables of \$20,450 are as follows:

	General Fund	Enterprise Fund	Total
Withholdings Payable	\$ 1,771	\$ 3,042	\$ 4,813
Accounts Payable	7,513	8,124	15,637
Total	<u>\$ 9,284</u>	<u>\$ 11,166</u>	<u>\$ 20,450</u>

IV.A.6. Inter-fund Transactions

During the course of normal operations, the Town has numerous transactions between funds including expenditures and transfers of resources primarily to provide services. The governmental funds financial statements generally reflect such transactions as transfers.

INTER-FUND TRANSFERS	To	From
Enterprise Fund	69,690	
General Fund		69,690
Totals	<u>69,690</u>	<u>69,690</u>

IV.A.7. Contingency

The Town of Wisner, Louisiana, received funds from a government grant, which is subject to audit by the federal or state government. The ultimate determination of amounts received under these programs is generally based upon allowable costs reported to and audited by the government. Until such audits have been completed and final settlements reached, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

IV.A.8. Subsequent Events

The Internal Revenue Service levied against the Town of Wisner, Louisiana, on August 08/08/06 in the amount of \$3,978.03 for payroll taxes. This was not owed, and a claim has been filed for a refund for this amount. It is very likely this claim will be honored.

Required Supplementary Information
(Part II)

TOWN OF WISNER
Statement of Revenues, Expenditures, and
Changes in Fund Balances
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended June 30, 2006

Schedule 1

	Original Budget	Final Budget	Year to Date Actual	Variance
Revenues				
AD Valorem Taxes	\$ 16,600	\$ 20,000	\$ 20,262	\$ 262
Sales & Use Tax	88,000	85,100	86,142	1,042
Occupational Licenses	28,000	18,000	18,437	437
Franchise Fee Utility	22,000	30,000	28,182	(1,818)
Fines	95,000	76,000	76,091	91
Insurance Rebate	2,400	19,000	16,603	(2,397)
Alcohol Bev. Tax	2,200	1,600	1,259	(341)
Misc Income	10,000	6,500	13,884	7,384
Total Revenues	264,200	256,200	260,860	4,660
Expenditures:				
Administrative Expenses	90,000	123,739	125,703	(1,964)
Public Safety	168,200	110,720	85,084	25,636
Public Works	6,000	10,000	2,494	7,506
Total Operating Expenditures	264,200	244,459	213,281	31,178
Excess (Deficiency) over Revenues/Expenses	-	11,741	47,579	35,838
Non-Operating Revenues (Expenses):				
Grant Income	-	-	18,000	18,000
Capital Expenditures	-	-	(18,149)	(18,149)
Investment Income	-	-	2,956	2,956
Interest Expense on Bonds	-	-	(3,047)	(3,047)
Total Non-Operating Revenues			(240)	(240)
Other Financing Uses	-	11,741	47,339	(35,598)
Transfers to other funds	-	-	(69,690)	(69,690)
Excess (Deficiency) of Revenues over Expenditures		11,741	(22,351)	(34,092)
Fund Balance - Beginning of Year	-	-	103,777	103,777
Fund Balance - End of Year	\$ -	\$ 11,741	\$ 81,426	\$ 69,685

SEE INDEPENDENT ACCOUNTANT'S REPORT

TOWN OF WISNER
P. O. DRAWER 290
WISNER, LOUISIANA
FOR THE YEAR ENDED JUNE 30, 2006

Schedule 2

Schedule of Compensation Paid Elected Officials

<u>Name and Address</u>	<u>Position</u>	<u>Salary</u>
Cary M. Cheek P. O. Box 238 Wisner, LA 71378	Mayor	\$0.00
Allyn Jean Luckett P. O. Box 57 Wisner, LA 71378	Council Member	\$0.00
Elizabeth Johnson P. O. Box 126 Wisner, LA 71378	Council Member	\$0.00
Nettie Brown P. O. Box 53 Wisner, LA 71378	Council Member	\$0.00
Jesse Young P. O. Box 86 Wisner, LA 71378	Council Member	\$0.00
William G. Watkins P. O. Box 316 Wisner, LA 71378	Council Member	\$0.00

Other Independent Auditor's Reports
and
Findings and Recommendations

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron St, Suite C
Monroe, LA 71201
Phone (318)-323-4656 • Fax (318)388-0724

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To The Honorable Mayor
And the Town Council
Town of Wisner, Louisiana

I have audited the accompanying basic financial statements of the governmental activities, the business-type activities, and each major fund, of the Town of Wisner, Louisiana as of and for the year ended June 30, 2006, which collectively comprise the Town of Wisner, Louisiana's basic financial statements and have issued my report thereon dated December 26, 2006. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered Town of Wisner, Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, I noted certain matters involving the internal control over financial reporting and its operation that I consider to be reportable conditions. Reportable conditions involve matters coming to my attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in my judgment, could adversely affect Town of Wisner's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying Schedule of Findings and Responses as items numbers 2006-01 and 2006-04.

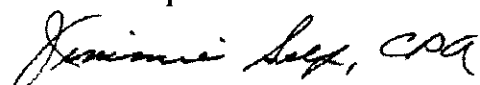
A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely

period by employees in the normal course of performing their assigned functions. My consideration of the internal control over financial reporting would not necessarily disclose all material matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable weaknesses described above, I consider items number 2006-01 and 2006-03 to be material weaknesses.

Compliance

As part of obtaining reasonable assurance about whether Town of Wisner, Louisiana's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance and other matters that are required to be reported under Government Auditing Standards and which are described in the accompanying Schedule of Findings and Responses as items 2006-02 and 2006-04. These matters have been reported to the management of the Town of Wisner in a separate letter dated December 26, 2006.

This report is intended solely for the information and use of the management, Louisiana Legislative Auditor, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Jimmie Self, CPA
Monroe, Louisiana
December 26, 2006

Jimmie Self, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (318) 323-4656 Fax (318) 388-0724

SUMMARY OF FINDINGS
FOR THE YEAR ENDED JUNE 30, 2006

I have audited the financial statements of Town of Wisner as of and for the year ended June 30, 2006, and have issued my report dated December 26, 2006. I conducted my audit in accordance with generally accepted auditing standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. My audit of the financial statements as of June 30, 2006 resulted in an unqualified opinion (qualified, adverse, disclaimer).

Section I Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses X yes no Reportable Conditions X yes no

Compliance

Compliance material to Financial Statements X yes no

TOWN OF WISNER
SCHEDULE OF FINDINGS AND RESPONSES
FYE June 30, 2006
And
Prior Year Findings
FYE June 30, 2005

CURRENT YEAR FINDINGS FYE JUNE 30, 2006

Finding Number 2006-01- Condition – Under state law, Louisiana political subdivisions must follow generally accepted accounting principles in the area of accounting and reporting.

Results: The records had several problems – the beginning balances were incorrect. There was some incorrect coding and some of the transactions were incorrect or completely ignored.

Recommendation- The Village should prepare an accounting manual, which it does not have, and establish procedures to ensure the entries are correctly coded, entered, and complete.

Solution: The Mayor and Board have been advised of this inaccuracy, and agree to address this problem immediately.

Finding Number 2006-02 - Condition - The fixed assets are not shown on the records of the Town.

Results: This results in miscalculations of total assets and erroneous financial reporting. It might increase the risk of loss of assets, and delays completion of the audit work in a timely manner.

Recommendation: Periodic comparison and reconciliation of records and general ledger balances. This should be done for assurance of proper recording and reporting.

Solution: The management agrees and plans to implement methods as recommended in order to assure proper recording and reporting.

Finding Number 2006-03 - Condition – Not all the bank account transactions are recorded in the records. The Accounts Payable accounts are not correctly entered, causing the reporting of the financial statements to be incorrect. This problem is due to a rapid turn-over of employees in the past year.

Results: This results in the current assets being understated, and the accounts payable showing no ending balance, resulting in understatement of liabilities and reporting to be incorrect.

Recommendation: The bookkeeper should be adequately trained in the correct recording of all entries.

Solution: The management agrees and will work with the new bookkeeper by providing training in this area..

Finding Number 2006-04 - Condition - Many of the accounts are miscoded.

Results: This results in charges made incorrectly to the funds, since the coding is done to a bank account which is not in that fund, because there is not enough money in the general fund (i.e) to pay bills in the enterprise fund. This challenges the auditor to complete the audit in a timely manner, since there is no definite audit trail.

Recommendation: An up-dated chart of accounts should be accessible when computer entries are made. The payments from each fund should be correctly coded to that account.

Solution: Management plans to train the computer operator to be able to implement this recommendation.

PRIOR YEAR FINDINGS FYE JUNE 30, 2005

Finding Number 2005-01

State Income Tax withholdings were not filed or paid in the year ended June 30, 2005 for any of the four quarters.

Recommendation:

The Town should report and pay all payroll withholding taxes in a timely manner.

Conclusion:

All were filed and paid in October 2005 a soon as non-payment was discovered by new accounting personnel. They are requesting elimination of penalties and interest.

Finding Number 2005-02

Federal Payroll taxes paid were insufficient. Records showed that there was not enough paid for Social Security.

Recommendation:

Greater attention should be given to correct payment of all payroll taxes, both employee and employer contributions.

Conclusion:

An additional amount was subsequently paid once the shortfall in payment of withholdings was determined. Personnel will attempt to have the computer program corrected to withhold correct amount of taxes from employees' payroll.

Finding Number 2005-03

Note payable due to the Louisiana Public Facilities Authority in the amount of \$4000.00 was not paid until November, 2005. Note was due to be paid March 15, 2005.

Recommendation:

Greater attention should be given to scheduling of payments in a timely manner.

Conclusion:

Management agrees to give greater attention to scheduling and making timely payments.

Finding Number 2005-04

A search was made for unrecorded Accounts Payable at 6/30/2005. The accounting showed a balance owed of \$36,146.00. These were discovered and paid in October 2005. Many of the accounts had been miscoded.

Recommendations: Codes should be corrected and care should be given in the coding of all accounts in the future. A list of codes should be available and personnel should be schooled in the proper use of these codes.

Conclusion:

The codes and account balances were corrected.

Finding Number 2005-05

None of the activities in the Louisiana Asset Management Pool (LAMP) account had been recorded.

Recommendations: There are six LAMP accounts. These have not been carried on the books. These should be carried as asset accounts and appropriately named as shown on the LAMP reports.

Conclusion: The Town clerk will be making these changes in accounting to provide a paper trail for accounting of these funds as they are invested with LAMP and then withdrawn from LAMP accounts.

JIMMIE SELF, CPA
A Professional Accounting Corporation
2908 Cameron Street, Suite C
Monroe, Louisiana 71201
Phone (318) 323-4656 Fax (318) 388-0724

COMMUNICATION OF REPORTABLE CONDITIONS TO MANAGEMENT

To the Mayor and Council Members
Town of Wisner
Wisner, Louisiana

During my audit, the following items came to my attention. The same items are listed in the Schedule of Findings and Responses. They are as follows, and my recommendations are included:

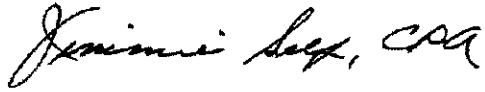
(1.) Under state law (LSA-RS 24:514), Louisiana political subdivisions must follow generally accepted accounting principles in the area of accounting and reporting. Specifically, your accounting system must include the following steps:

- A. It must comply with local, state, and federal provisions.
- B. The system should be an accurate reflection of the fiscal condition. Due to the fact some transactions are not being entered into the accounting records, the system might not reflect the actual fiscal condition of the system. Example:
 - a. None of the activities of the Louisiana Asset Management Pool (LAMP) account had been recorded. There are six accounts held for the Village by LAMP. None of these are set up as asset accounts on the Village's books. Such a practice makes it difficult to maintain a paper trail for these transactions. It is my recommendation that six asset accounts be set up for each of the six LAMP accounts and named for the corresponding LAMP account for ease of use in following transactions. All deposits and withdrawals with LAMP should hereafter flow through these accounts.
 - b. The Fixed assets and Long-Term Debt accounts are not included in the Balance Sheet
 - c. The Accounts Payable transactions are not correctly charged and credited making it difficult to find correct balances.
 - d. Since many of the accounts are miscoded, I recommend an up-to-date list of account codes should be accessible when computer entries are being made. Such a list should be part of the accounting manual. Great attention should be given to preparing an accounting manual for the General Fund and another accounting manual for the Public Works Fund.

(2.) My overall recommendation is, personnel should be trained in properly coding checks, deposits, and invoices for accounting purposes. Invoices should be paid in a timely manner. Invoices should also be marked with the date received and the date paid. Fixed asset accounts should be set up for recording the value of fixed assets and long-

term debt accounts should be set up to record the borrowing and payment of indebtedness. Personnel should also be trained in properly entering transactions to the fixed asset accounts and the long-term debt accounts.

This report is intended solely for the information and use of management, and the Louisiana Legislative Auditor. However, this report is a matter of public record, and its distribution is not limited.

A handwritten signature in cursive script that reads "Jimmie Self, CPA".

Jimmie Self, CPA
Monroe, Louisiana
December 29, 2006

TOWN OF WISNER
P. O. 290
Wisner, LA 71378

December 26, 2006

Jimmie Self, CPA, APAC
2908 Cameron Street
Monroe, LA 71201

Re: Management's Corrective Action Plan

Dear Ms. Self,

Thank you for advising us of the items contained in the Schedule of Findings and Responses for the year ended June 30, 2006. These are our responses to these items.

Finding 2006 – 01 The need to follow generally accepted accounting principles in the area of accounting and reporting.

Response – We are working with our personnel to prepare an accounting manual and apply all proper accounting procedures.

Finding 2006 – 02 The fixed assets are not shown on the accounting records of the Town.

Response – We are working with our accounting personnel to set up the appropriate accounts for keeping these records.

Finding 2006 – 03 Not all bank account transactions are recorded in the records. The accounts payable accounts are not correctly entered, causing reporting of the financial statements to be incorrect. This has resulted from a rapid turn-over of employees in the past year.

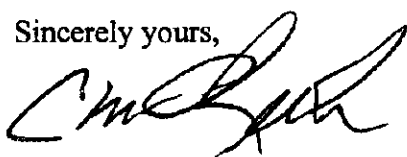
Response – We are working with our personnel to train them in proper recording of all transactions. We are doing what we can to employ qualified personnel and keep valuable employees in our organization.

Finding 2006 – 04 Many of the accounts are miscoded.

Response – We are preparing an accounting manual complete with an up-to-date chart of accounts and policies and procedures of accounting for the Town.

Thank you for the opportunity to respond to the matters included in this letter.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'C. Cheek', written in a cursive style.

Cary M. Cheek
Mayor